

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re)	Case No. 05-44481 (RDD)
)	
DELPHI CORPORATION, et al.,)	(Jointly Administered)
)	
Debtors.)	Chapter 11
_____)	

**SEVENTH SUPPLEMENTAL DECLARATION OF MICHAEL D. WARNER
IN SUPPORT OF THE RETENTION OF WARNER STEVENS, L.L.P., AS
CONFLICTS COUNSEL TO OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

I, MICHAEL D. WARNER, pursuant to 28 U.S.C. § 1746, hereby declare under penalty of perjury that the following is true and correct to the best of my knowledge, information and belief:

1. I am a partner of the law firm of Warner Stevens, L.L.P. (“WarnerStevens”), which maintains one office located at 301 Commerce Street, Suite 1700, Fort Worth, Texas, 76102. I am familiar with the matters set forth herein and submit this Seventh Supplemental Declaration in support of the retention of WarnerStevens as conflicts counsel to the Official Committee of Unsecured Creditors (the “Committee”) appointed in the chapter 11 cases (the “Chapter 11 Cases”) of the above-captioned debtors and debtors in possession (collectively the “Debtors”).

Background

2. On November 23, 2005, WarnerStevens filed the Application Under 11 U.S.C. §§ 327(a), 328 and 1103 and Fed.R.Bankr.P. 2014(a) Authorizing Employment and Retention of WarnerStevens, L.L.P., as Conflicts Counsel for the Official Committee of Unsecured Creditors, nunc pro tunc to November 10, 2005 (the “Retention Application”).

3. On January 6, 2006, this Court entered a Final Order approving the retention of WarnerStevens.

4. On January 27, 2006, the First Supplemental Declaration of Michael D. Warner in Support of the Retention of WarnerStevens, L.L.P., as Conflicts Counsel to Official Committee of Unsecured Creditors (the “First Supplemental Declaration”), was filed with the Court disclosing WarnerStevens’ representation of Sierra Liquidity Fund, LLC in other bankruptcy cases.

5. On February 6, 2006, the Second Supplemental Declaration of Michael D. Warner in Support of the Retention of WarnerStevens, L.L.P., as Conflicts Counsel to Official Committee of Unsecured Creditors (the “Second Supplemental Declaration”), was filed with the Court disclosing WarnerStevens’ representation of Madison Niche Opportunities, LLC in other bankruptcy cases.

6. On March 3, 2006, the Third Supplemental Declaration of Michael D. Warner in Support of the Retention of WarnerStevens, L.L.P., as Conflicts Counsel to Official Committee of Unsecured Creditors (the “Third Supplemental Declaration”), was filed with the Court disclosing WarnerStevens’ representation of Longacre Master Fund, Ltd. in other bankruptcy cases.

7. On July 10, 2006, the Fourth Supplemental Declaration of Michael D. Warner in Support of the Retention of WarnerStevens, L.L.P., as Conflicts Counsel to Official Committee of Unsecured Creditors (the “Fourth Supplemental Declaration”), was filed with the Court disclosing WarnerStevens’ representation of A.T. Kearney, Inc. in other bankruptcy cases.

8. On July 20, 2006, the Fifth Supplemental Declaration of Michael D. Warner in Support of the Retention of WarnerStevens, L.L.P., as Conflicts Counsel to Official Committee of Unsecured Creditors (the “Fifth Supplemental Declaration”), was filed with the Court disclosing WarnerStevens’ representation of Amroc Investments, L.L.C., Argo Partners, and Contrarian Funds, L.L.C. in other bankruptcy cases.

9. On June 30, 2008, the Sixth Supplemental Declaration of Michael D. Warner in Support of the Retention of WarnerStevens, L.L.P., as Conflicts Counsel to Official Committee of

Unsecured Creditors (the "Sixth Supplemental Declaration"), was filed with the Court disclosing WarnerStevens' general policy regarding the employment of new professionals.

10. I am filing this Seventh Supplemental Declaration to disclose certain facts relevant to WarnerStevens' retention that have recently come to my attention.

Supplemental Disclosure Regarding Highland Capital Management, L.P.

11. In my declaration attached to the Retention Application and in the First, Second, Third, Fourth, and Fifth Supplemental Declarations, I disclosed entities to which WarnerStevens provides or provided representation in other bankruptcy matters and the nature of such representations. Such representations do not create an adverse interest to and have no connection with the Committee, the Debtors, their creditors or any party-in-interest herein in the matters upon which WarnerStevens has been retained.

12. Upon information and belief, Highland Capital Management, L.P., and certain of its affiliates and related entities (collectively, "Highland"), are shareholders and creditors of the Debtors.

13. WarnerStevens was retained in July 2008 to represent the interests of Highland in the chapter 11 bankruptcy cases entitled *In re Lake at Las Vegas Joint Venture, LLC, et al.*, being jointly administered in the United States Bankruptcy Court for the District of Nevada, Case No. 08-17814 (LBR) (collectively, the "LLV Cases"). Highland is an interested party in the LLV Cases.

14. WarnerStevens does not represent and will not represent Highland in these Chapter 11 Cases. I do not believe that the representation of Highland in unrelated bankruptcy cases presents a conflict of interest or creates an adverse interest.

15. In conclusion, insofar as I have been able to ascertain and subject to the disclosures contained herein and in my previous declarations, neither WarnerStevens, nor any member or

associate thereof, represents any interest adverse to the Debtors herein, or their estates, in the matters upon which WarnerStevens has been engaged. Accordingly, I continue to believe that WarnerStevens is a “disinterested person” within the meaning of section 101(14) of the Bankruptcy Code.

Dated: August 7, 2008

/s/ Michael D. Warner
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